



Department of Medical Assistance Services  
600 East Broad Street, Suite 1300  
Richmond, Virginia 23219

[www.dmas.virginia.gov](http://www.dmas.virginia.gov)

# MEDICAID MEMO

TO: All Durable Medical Equipment Services providers participating in the Virginia Medical Assistance Program, Managed Care Organizations providing services to Virginia Medicaid recipients, and all holders of the *Rehabilitation* Medicaid provider manual

UPDATE: DME-PA-06

FROM: Patrick W. Finnerty, Director  
Department of Medical Assistance Services

DATE: 05/05/2006

SUBJECT: Update to the *Durable Medical Equipment and Supplies* Provider Manual and New Prior Authorization Contractor Effective June 5, 2006

The purpose of this memorandum is to provide information regarding changes to the preauthorization (PA) process for Durable Medical Equipment (DME) and Supplies and to provide an explanation of the resulting updates to the DME and Supplies Manual. Effective Monday, June 5, 2006, KePRO, DMAS' new PA Contractor, will accept PA requests for DME and Supplies. These changes in the prior authorization process do not apply to drugs on the Preferred Drug List (PDL) or to Medicaid contracted managed care organizations. These services will continue through the current vendors.

## **KePRO IS THE NEW DMAS PA CONTRACTOR**

As indicated in the March, 20, 2006 Medicaid Memorandum, DMAS has contracted with KePRO, an innovative healthcare management solution company, to conduct PA for Medicaid, Family Access to Medical Insurance Security (FAMIS) and FAMIS Plus clients in the fee-for-service programs. KePRO was awarded the PA contract through the competitive bidding process based upon their ability to implement interactive web-based technology (iExchange) and to move the PA submission process from a primarily fax and paper-based process to a speedier, provider-friendly paperless process that the Department believes will reduce providers' administrative burden. KePRO will also maintain a process for providers who prefer to use a traditional paper based system, *i.e.* fax, mail, or telephone. As a result of the new contract, DMAS will be implementing changes to its PA procedures.

## **CHANGES RELATED TO DME AND SUPPLIES**

WVMI will continue to process all DME and Supply pre-authorization requests with a date of receipt up to and including, June 4, 2006. Effective on and after Monday, June 5, 2006, KePRO will accept PA requests for DME and Supplies. Additionally, KePRO will use InterQual ISX criteria, a McKesson Health Solutions, LLC product when making medical necessity

determinations at the non-physician review level. InterQual is new for Durable Medical Equipment providers. Supplemental criteria will be used where InterQual does not specifically meet DMAS' Durable Medical Equipment criteria. Refer to the new Preauthorization Appendix D of the Durable Medical Equipment Provider Manual for specific information regarding prior authorization submission procedures. To better serve you, KePRO will be operating with expanded hours of operation, from 8:00 a.m. to 7:00 p.m., Monday through Friday, EST (except on some state holidays).

Training will be provided by KePRO via webcasts on May 24th at 9:00 a.m. If you are interested in participating in the DME WebEx training, please send an e-mail to: [PAUR06@dmas.virginia.gov](mailto:PAUR06@dmas.virginia.gov). Instructions will be sent back to you prior to the training.

### **KePRO CONTACT INFORMATION**

KePRO will accept requests for PA via iExchange (direct data entry through the web), fax, mail, or phone. The preferred method of submission for requesting PA is through iExchange.

To submit requests via iExchange, log on to [DMAS.KePRO.org](http://DMAS.KePRO.org) and register for a provider web account. You must have a provider web account before submitting information through iExchange. To register for a web account, you must know your Medicaid provider number and tax identification number.

Submit on and after June 5, 2006 requests via phone, fax, or mail to:

KePRO

**Toll Free Phone:** 1-888-VAPAUTH (1-888-827-2884)

**Local Phone:** (804) 497-1333

**Fax:** 1-877-OKBYFAX (1-877-652-9329)

2810 N. Parham Road, Suite 305

Richmond, VA 23294

### **PA REQUEST FORM**

Attached to this memorandum is the Outpatient Prior Authorization Request form for paper and fax PA submissions. This form and its instructions identify critical information to process all types of DME and supply PA requests (i.e., whether received by web, fax, phone, or paper).

### **CHANGES TO THE DURABLE MEDICAL EQUIPMENT AND SUPPLIES MANUAL**

The attached table shows the changes to the manual. Please download and insert the new pages in your manual and retain the attached table. The changes described in this Memorandum are effective **June 5, 2006**. The most notable changes include: (1) revisions to Chapter IV and (2) a Preauthorization Appendix D has been added.

## **UTILIZATION REVIEW AND CONTROL**

Under the provisions of federal regulations, the Medical Assistance Program must provide for continuing review and evaluation of the care and services paid through Medicaid, including review of utilization of the services by providers and by recipients. Revisions to the prior authorization submission process do not relieve participating providers from program integrity standards as described in Chapters IV and VI of the Rehabilitation Provider Manual.

## **COMMUNICATION TO DME PROVIDERS**

DMAS has designed an email address specifically for providers to email questions about DME to DMAS ([dme@dmass.virginia.gov](mailto:dme@dmass.virginia.gov)). These questions should pertain to policies, codes, or rates and should not pertain to preauthorizations, as these questions should continue to be directed to the preauthorization contractor, at 804/497/1333. No protected health information (PHI) should be sent on this e-mail in accordance with HIPAA. To be added to the DMAS DME e-mail waiting list, send an email to [dme@dmass.virginia.gov](mailto:dme@dmass.virginia.gov). On the subject line of the e-mail form, type, "subscribe" (without the quotes). This is an automated system. If you put anything else on the subject line, you will not be added to the list. Please include "recipient", "provider", or "other", which ever best describes you, in the body of your e-mail. To unsubscribe, send an email to DMAS [dme@dmass.virginia.gov](mailto:dme@dmass.virginia.gov). On the subject line of the email form, type, "unsubscribe" (without the quotes).

## **ELIGIBILITY AND CLAIMS STATUS INFORMATION**

DMAS offers a web-based Internet option (ARS) to access information regarding Medicaid or FAMIS eligibility, claims status, check status, service limits, prior authorization, and pharmacy prescriber identification. The website address to use to enroll for access to this system is <http://virginia.fhsc.com>. The MediCall voice response system will provide the same information and can be accessed by calling 1-800-884-9730 or 1-800-772-9996. Both options are available at no cost to the provider.

## **"HELPLINE"**

The "HELPLINE" is available to answer questions Monday through Friday from 8:30 a.m. to 4:30 p.m., except on state holidays. The "HELPLINE" numbers are:

1-804-786-6273	Richmond area and out-of-state long distance
1-800-552-8627	All other areas (in-state, toll-free long distance)

Please remember that the "HELPLINE" is for provider use only. Please have your Medicaid Provider Identification Number available when you call.

## **COPIES OF MANUALS**

DMAS publishes electronic and printable copies of its Provider Manuals and Medicaid Memoranda on the DMAS website at [www.dmass.virginia.gov](http://www.dmass.virginia.gov). Refer to the "DMAS Content

Menu” column on the left-hand side of the DMAS web page for the “Provider Services” link, which takes you to the “Manuals, Memos and Communications” link. This link opens up a page that contains all of the various communications to providers, including Provider Manuals and Medicaid Memoranda. The Internet is the most efficient means to receive and review current provider information. If you do not have access to the Internet or would like a paper copy of a manual, you can order it by contacting Commonwealth-Martin at 1-804-780-0076. A fee will be charged for the printing and mailing of the manuals and manual updates requested.

#### **PROVIDER E-NEWSLETTER SIGN-UP**

DMAS is pleased to inform providers about the creation of a new Provider E-Newsletter. The intent of this electronic newsletter is to inform, communicate, and share important program information with providers. Covered topics will include changes in claims processing, common problems with billing, new programs or changes in existing programs, and other information that may directly affect providers. If you would like to receive the electronic newsletter, please sign up at [www.dmas.virginia.gov/pr-provider\\_newletter.asp](http://www.dmas.virginia.gov/pr-provider_newletter.asp).

Please note that the Provider E-Newsletter is not intended to take the place of Medicaid Memos, Medicaid Provider Manuals, or any other official correspondence from DMAS.

***DURABLE MEDICAL EQUIPMENT AND SUPPLIES MANUAL***

**REVISION CHART**

**May 5, 2006**

**SUMMARY OF REVISIONS**

<b>MANUAL SECTION</b>	<b>MATERIAL REVISED</b>	<b>NEW PAGE NUMBER(S)</b>	<b>REVISED PAGE(S)</b>	<b>REVISION DATE</b>
Chapter 4	Chapter IV (Covered Services)		Chapter IV (Covered Services)	06/05/2006
New Prior Authorization Information: Appendix D	New Appendix D		New Appendix D	06/05/2006
Appendix B	Introduction page (second page), entitled MEDICAID DURABLE MEDICAL EQUIPMENT (DME) AND SUPPLIES LISTING	Introduction page (second page), entitled MEDICAID DURABLE MEDICAL EQUIPMENT (DME) AND SUPPLIES LISTING	Introduction page (second page), entitled MEDICAID DURABLE MEDICAL EQUIPMENT (DME) AND SUPPLIES LISTING ( <b>references to WVMI removed</b> )	06/05/2006

**FILING INSTRUCTIONS**

<b>MANUAL SECTION</b>	<b>DISCARD</b>	<b>INSERT</b>	<b>OTHER INSTRUCTIONS</b>
Chapter 4	Old Chapter IV (Covered Services)	New Chapter IV (Covered Services)	
New Prior Authorization Information: Appendix D	N/A	New Prior Authorization Information: Appendix D	
Appendix B	Old Introduction page (second page), entitled MEDICAID DURABLE MEDICAL EQUIPMENT (DME) AND SUPPLIES LISTING	New Introduction page (second page), entitled MEDICAID DURABLE MEDICAL EQUIPMENT (DME) AND SUPPLIES LISTING ( <b>references to WVMI removed</b> )	

# Outpatient Prior Authorization Request Form

## DMAS/KePRO

**Submit fax request for prior authorization to: 1-877–OKBYFAX (877-652-9329)**

**Requests may be submitted up to 30 days prior to scheduled procedures/services, provided Enrollee is eligible.**

Recert: Enter previous PA#. Change or Cancel: enter PA# to be changed or canceled.

PA # \_\_\_\_\_

<b>1.</b> <input type="checkbox"/> Initial <input type="checkbox"/> Recertification <input type="checkbox"/> Change <input type="checkbox"/> Cancel				
<b>2. Date of Request: (mm/dd/yyyy)</b> ____/____/____		<b>3. Review Type: (Please check one)</b> <input type="checkbox"/> Retrospective Prepayment Review (Date notified of eligibility ____/____/____) <input type="checkbox"/> Retroactive MCO disenrollment		
<b>4. Enrollee Medicaid ID Number (12 Digit number):</b>	<b>5. Enrollee Last Name:</b>	<b>6. Enrollee First Name:</b>	<b>7. Date of Birth: (mm/dd/yyyy) ____/____/____</b>	<b>8. Sex:</b> <input type="checkbox"/> Male <input type="checkbox"/> Female
<b>9. Requesting/Service Provider Name and Medicaid ID Number/NPI:</b>	<b>10. Treatment Setting:</b> <input type="checkbox"/> Outpatient <input type="checkbox"/> Provider's Office <input type="checkbox"/> Home <input type="checkbox"/> Intensive Outpatient	<b>11. Primary Diagnosis Code/Description: (enter up to 5)</b> 1. _____ 2. _____ 3. _____ 4. _____ 5. _____		
<b>12. Referring Provider Name and Medicaid ID Number/NPI:</b>			<b>13. PA Service Type:</b> <div style="display: flex; justify-content: space-between;"> <div> <input type="checkbox"/> 0050 Outpatient Psych  <input type="checkbox"/> 0092 Orthotics (EPSDT)  <input type="checkbox"/> 0100 DME  <input type="checkbox"/> 0204 Outpatient Rehab           </div> <div> <input type="checkbox"/> 0450 MRI  <input type="checkbox"/> 0451 CAT  <input type="checkbox"/> 0452 PET  <input type="checkbox"/> 0500 Home Health           </div> </div>	
<b>14. Severity of Illness (See instructions pertaining to each service type):</b>  <div style="height: 40px; border: 1px solid black;"></div>				
<b>15. Intensity of Services (See instructions pertaining to each service type):</b>  <div style="height: 40px; border: 1px solid black;"></div>				
<b>16. Additional Comments (See instructions pertaining to each service type):</b>  <div style="height: 60px; border: 1px solid black;"></div>				

# Outpatient Prior Authorization Request Form

## DMAS/KePRO

Number	17. HCPCS/ CPT/ Revenue Code	18. Code Description	19. Modifiers (if applicable)	20. Units Requested	21. Actual Cost per Unit	22. Frequency	23. Total Dollar Requested	24. Dates of Service	
								From (mm/dd/yyyy)	Thru (mm/dd/yyyy)
1.								__/__/__	__/__/__
2.								__/__/__	__/__/__
3.								__/__/__	__/__/__
4.								__/__/__	__/__/__
5.								__/__/__	__/__/__
6.								__/__/__	__/__/__
7.								__/__/__	__/__/__
8.								__/__/__	__/__/__
9.								__/__/__	__/__/__
10.								__/__/__	__/__/__
11.								__/__/__	__/__/__
12.								__/__/__	__/__/__
13.								__/__/__	__/__/__
14.								__/__/__	__/__/__
15.								__/__/__	__/__/__
16.								__/__/__	__/__/__
17.								__/__/__	__/__/__
18.								__/__/__	__/__/__

25. Contact Name: \_\_\_\_\_

26. Contact Telephone Number: \_\_\_\_\_

27. Contact Fax Number: \_\_\_\_\_

# Outpatient Prior Authorization Request Form

DMAS/KePRO

## **Additional Information**

**14. Severity of Illness:**

**15. Intensity of Services:**

**16. Additional Comments:**



## INSTRUCTIONS FOR OUTPATIENT ELECTRONIC FAX FORM

This FAX submission form is required for outpatient Prior Authorization Review, Concurrent Review and Retrospective Review. When submitting the fax, please be certain that the cover sheet has a confidentiality notice included.

Please be certain that all information blocks contain the requested information. Incomplete forms may result in the case being denied or returned via FAX for additional information. Only information provided on **KePRO** forms can be entered. Do **not** send attachments or non-**KePRO** forms.

If **KePRO** determines that your request meets appropriate coverage criteria guidelines the request will be “tentatively approved” and transmitted to the DMAS Fiscal Agent for the final approval. Final approval is contingent upon passing remaining enrollee and provider eligibility/enrollment edits. The prior authorization (PA) number provided by the DMAS Fiscal Agent will be sent to you through the normal letter notification process and will be available to providers registered on the web-based program iEXCHANGE (<http://dmas.kepro.org>) within 24 hours (or the next business day) if reviewed, approved, and transmitted to DMAS’ Fiscal Agent prior to 5:30 PM of that day.

1. **Request type:** Place a  $\checkmark$  or **X** in the appropriate box.
  - **Initial:** Use for all new requests. Resubmitting a request after receiving a reject would be an initial request also.
  - **Recertification:** A request for continued services (items) beyond the expiration of the previous preauthorization would be a recertification request.
  - **Change:** a change to a previously approved request; the provider may change the quantity of units, dollar amount approved (DME) or dates of service due to changes in delivery or rescheduling and appointment. If additional units are requested for the same dates of service, enter the total number of units needed and not only the increased amount. Any change request for increased services must include appropriate justification, including information regarding new physician orders. The provider may not submit a “change” request for any item that has been denied or is pending.
  - **Cancel:** Use to cancel all or some of the items under one preauthorization number. An example of canceling all lines is when an authorization is requested under the wrong enrollee number.
2. **Date of Request:** The date you are submitting the prior authorization request.
3. **Review Type:** Place a  $\checkmark$  or **X** in the appropriate box. Please refer to the Retrospective review policy and procedure for each service detailed information regarding the submission of a Retrospective Review request. If retrospective eligibility, enter the date that the provider was notified of retrospective eligibility.
4. **Enrollee Medicaid ID Number:** It is the provider’s responsibility to ensure the enrollee’s Medicaid number is valid. This should contain 12 numbers.
5. **Enrollee Last Name:** Enter the enrollee’s last name exactly as it appears on the Medicaid card.
6. **Enrollee First Name:** Enter the enrollee’s first name exactly as it appears on the Medicaid card.

# Outpatient Prior Authorization Request Form

## DMAS/KePRO

7. **Date of Birth:** Date of birth is critically important and should be in the format of mm/dd/yyyy (for example, 02/25/2004).
8. **Sex:** Please place a √ or **X** to indicate the sex of the patient.
9. **Requesting/Service Provider Name and Medicaid ID Number/NPI:** Enter the requesting/service provider name and Medicaid ID number or national provider identifier.
10. **Treatment Setting:** Place a √ or **X** to indicate the place of service. Outpatient Psych: always mark "Outpatient."
11. **Primary Diagnosis Code/Description:** Provide the primary diagnosis code and/or description indicating the reason for service(s). You can enter up to 5 descriptions and ICD-9 codes, as required.
12. **Referring Provider Name and Medicaid ID Number/NPI:** Enter the referring provider name and Medicaid ID number or national provider identifier for the provider requesting the service.
13. **PA Service Type:** Place a √ or **X** to indicate the category of service you are requesting. Orthotics: If enrollee is under 21 check "Orthotics (EPSDT)".
14. **Severity of Illness (Clinical indicators of illness including abnormal findings)\*:**

- **One of the most important blocks on the form is the Severity of Illness. Knowledge of the InterQual/DMAS criteria will be helpful to provide pertinent information.**
- **Provide the clinical information of chief complaint, history of present illness, pertinent past medical history (supportive diagnostic outpatient procedures), abnormal findings on physical examination, previous treatment, pertinent abnormalities in laboratory values, X- rays, and other diagnostic modalities to substantiate the need for service and level of service requested. (Always include dates, types & results [with dimensions/% as appropriate]).**
- **Service Type specific instructions:**

<i>Outpatient psych</i>	List all symptoms and behaviors supporting the need for outpatient psychiatric treatment. Clinical documentation should address safety risks (immediate or potential), level of functioning, adequacy of support system and social factors. For continued treatment, include clinical findings within the last five visits and progress towards treatment goals. Clinical updates should describe treatment compliance and any related changes to the individual's psychosocial and medical status.
<i>DME</i>	Provide all of the information listed in Section II of the CMN.
<i>Home Health - Rehab</i>	Describe the functional impairments, illness, injury and/or communication disorders that warrant treatment.
<i>Home Health – Skilled Nursing</i>	Describe specific orders for nursing.
<i>Rehab</i>	Describe the functional impairments, illness, injury and/or communication disorders that warrant treatment.

# Outpatient Prior Authorization Request Form

## DMAS/KePRO

**15. Intensity of Services (Proposed/Actual monitoring and therapeutic services)\*:**

- This is another critical area of the form. Knowledge of the InterQual/DMAS criteria will be helpful to provide pertinent information.
- This field must include the treatment plan for the patient. List the services, procedures, or treatments that will be provided to the patient.
- **Service Type specific instructions:**

<i>Outpatient psych</i>	Identify the treatment modality (i.e. individual, family, or group), number and frequency of sessions and anticipated duration of treatment.
<i>DME</i>	Provide all of the information listed for each line item in Section III and IV of the CMN. Include all items and not only those that require preauthorization. (If there is no begin service date, list the physician's signature date that is on the backside of CMN.)
<i>Home Health - Rehab</i>	Describe long term and short term goals with achievement dates.
<i>Home Health – Skilled Nursing</i>	Specific description of goals and achievement dates; Specific description of procedures, especially if requesting comprehensive visits; If requesting ongoing comprehensive visits, specify why goals have not been accomplished.
<i>Rehab</i>	Identify if the plan of care is a 60-day plan of care (acute) or an annual plan of care (non-acute); Describe the long term and short term goals with achievement dates; Documentation of meeting program goals.

- 16. Additional Comments** This area must be used for further information and other considerations and circumstances to justify your request for medical necessity or the number of services. Describe expected prognosis or functional outcome. List additional information for each item to meet the criteria in the regulations, DMAS manual, and InterQual criteria (see PA chapter in the DMAS manual).

<i>Outpatient psych</i>	<b>Confirm: psychosocial assessment completed; substance abuse and/or medication evaluations completed (if needed); and plan of care designed, signed, and dated by a Licensed Mental Health Provider (LMHP). Indicate where the service is being provided (Mental Health Clinic, provider's office, home, or nursing home).</b>
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- 17. HCPCS/CPT/Revenue Code:** Provide the HCPCS/CPT/Revenue procedure code.
- 18. Code Description:** Provide the HCPCS/CPT/Revenue procedure code description. For NEOP, provide the type of scan and location.
- 19. Modifiers (if applicable):** Enter up to 4 modifiers as applicable. DME providers enter modifier as appropriate based upon the Durable Medical Equipment and Supplies Listing/Appendix B found in the DMAS DME provider manual information.

# Outpatient Prior Authorization Request Form

## DMAS/KePRO

20. **Units Requested:** Based on physician's orders, plan of care, or CMN provide the number of services/visits requested. Knowledge of InterQual/DMAS criteria will be extremely helpful. DME providers: Only identify the number of units necessary in excess of the established allowable for the time span requested. For example, if 2 cases of diapers are allowed per month and 3 cases are used per month, the overage is 1 case per month. If a timeframe of 6 months is requested by the From and Thru date, then the total Units Requested for the time frame is 6 cases. Place numbers only in the Units Requested block. Units requested as 2/2 months or 100/box/month or 7 days cannot be keyed and will be rejected.
21. **Actual Cost per Unit or Usual and Customary (DME providers only):** Enter information in this column for codes identified in Appendix B as individual consideration (IC) or usual and customary. For IC, enter actual cost per unit less any incentives/discounts or reductions received from the manufacturer. For items identified in Appendix B as usual and customary, enter the provider's usual and customary charge to the generic public. The provider must retain documentation supporting this dollar amount.
22. **Frequency:** Enter the frequency of the visits/service from the physician's order, plan of care or CMN. Not necessary for DME if included under Intensity of Service.
23. **Total Dollars Requested (DME providers only):** Enter the dollar amount requested for items listed as usual and customary or IC in the appendix B of the DMAS DME Provider Manual. In the Appendix B, each code is listed with a set fee, as usual and customary or IC. The Total Dollars Requested is the total for all units requested in that line. For items listed as usual and customary enter your usual and customary charge to the general public. For items listed as IC enter the dollar amount requested. The provider must retain documentation supporting verification of cost (a manufacturer's invoice, brochure with cost information from the manufacturer, cost estimate on letterhead from the manufacturer, etc.) This cost is per unit of the item being requested, e.g. 1ea, 1 pair, or 1 box of 100.
24. **Dates of Service:** Indicate the planned service dates using the mm/dd/yyyy format. The From and Thru date must be completed even if they are the same date.
25. **Contact Name:** Enter the name of the person to contact if there are any questions regarding this fax form.
26. **Contact Phone Number:** Enter the phone number with area code of the contact name.
27. **Contact Fax Number:** Enter the fax number with the area code to respond if there is a denial/reject.

***\*Note: Incomplete data may result in the request being denied; therefore, it is very important that this field be completed as thoroughly as possible with the pertinent medical/clinical information.***

***The purpose of preauthorization is to validate that the service being requested is medically necessary and meets DMAS criteria for reimbursement. Preauthorization does not automatically guarantee payment for the service; payment is contingent upon passing all edits contained within the claims payment process; the enrollee's continued Medicaid eligibility; and the ongoing medical necessity for the service being provided.***